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NOTICE OF CONFIDENTIALITY PROHITS FLYOU ARE A NATURAL TERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88-198(R) Texas Paid-Up (2/93)

OIL, GAS AND MINERAL LEASE (PAID-UP LEASE)

| THIS AGREEMENT made this | | day of | November | , 20 2009 , between | |
|--|--|---|---|---|--|
| Gregory Paul Carnley, a n | narried person dealing in his sole | and se | eparate property | <u> </u> | |
| | | | | | |
| | | , Lessor (whether one or more) whose address is | | _11827 Stevens Dr., | |
| Benbrook, Texas 76126 | | | | | |
| | and Devon Energy Production Company, L.P. | | | , Lessee; whose address is | |
| 20 North Broadway, Oklahoma City, OK 73102-8260 | | | ; WITNESSETH: | - | |
| exclusively unto Lessee the lands subject h and their respective constituent elements) a surveys, injecting gas, water and other flu building roads, tanks, power stations, tel | Ten or more Dollars, in hand paid, of the royalties lereto for the purpose of investigating, exploring, pround all other minerals, (whether or not similar to thoids and air into subsurface strata, establishing and ephone lines and other structures thereon to produce | ospecting ose menti- utilizing | , drilling and mining for and producing oil, gas oned) and the exclusive right to conduct explor facilities for the disposition of salt water, layi | (including all gases, liquid hydrocarbons ation, geologic and geophysical tests and ng pipelines, housing its employees and | |
| Tarrant | County, Texas, and described as fo | follows: | | | |
| | | | | | |

See Exhibit "A" attached hereto and made a part hereof for the description of lands in Tarrant County, Texas and for additional terms and conditions which are a part of this lease.

This lease also covers and includes all land owned or claimed by Lessor adjacent or contiguous to the land particularly described above, whether the same be in said survey or in adjacent surveys, although not included within the boundaries of the land particularly described above. The land covered by this lease shall be hereinafter referred to as said Land. Lessor agrees to execute any lease amendment requested by Lessoe for a more complete or accurate description of said Land and such amendment shall include words of present lease and grant. For the purpose of calculating any payments hereinafter provided for, said Land is estimated to comprise 1.195 acres, whether it actually comprises more or less until such time as

Lessee requests a lease amendment and same is filed of record.

2. Subject to the other provisions herein contained and without reference to the commencement, prosecution or cessation of operations and/or production at any time hereunder, this lease shall be for a term of three (3) years from this date (called "primary term") and as long thereafter as oil, gas, or other minerals is produced from or operations are conducted on said Land or land with which said Land is pooled hereunder. The word "operations" as used herein shall include but not be limited to any or the following, preparing drillsite location and/or access read, drilling, testing, completing, reworking, recompleting, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil, gas or other minerals and any other actions conducted on said lands associated with or related thereto.

other actions conducted on said lands associated with or related thereto.

3. The royalties to be paid by Lessee are: (a) on oil delivered at the wells or into the pipeline to which the wells may be connected, one-eighth of the proceeds received from the sale of oil produced and saved from said Land; Lessee may from time to time purchase any royalty oil in its possession, paying the market price therefor prevailing for the field where produced on the date of purchase or Lessee may sell any royalty oil in its possession and pay Lessor the price received by the Lessee for such oil computed at the well; Lessor's interest shall bear one-eighth of the cost of treating the oil to render it marketable pipeline oil or, if there is no available pipeline, Lessor's interest shall bear one-eighth of the cost of all trucking charges; (b) on gas, including all gases, processed liquid hydrocarbons associated therewith and any other respective constituent elements, casinghead gas or other gaseous substance, produced from said Land and sold or used off the premises or for the extraction of gasoline or other product therefrom, the market value at the well of one-eighth of the gas so sold or used provided the market value shall not exceed the amount received by Lessee for such gas computed at the mouth of the well, and provided further on gas sold at the wells the royalty shall be one-eighth of the net proceeds received from such sale, it being understood that Lessor's interest shall bear one-eighth of the cost of all compression, treating, dehydrating and transporting costs incurred in marketing the gas so sold at the wells; (c) on all other minerals mined and marketed, one-tenth either in kind or value at the well or mine, at Lessoe's election. Any royalty interests, including, without limitation, non-participating royalty interests, in said Land, whether or not owned by Lessoe and whether or not effectively pooled by Lessee pursuant to the provisions hereof, shall be paid from the royalty set forth herein. Lessee shall have fr

Lessee shall pay or tender as shut-in royalty to Lessor, or tender for deposit to the credit of Lessor in the At Lessor's address listed above

Lessee shall pay or tender as shut-in royalty to Lessor, or tender for deposit to the credit of Lessor in the (which bank and its successors are Lessors agent and shall continue as the depository bank for all shut-in royalty payments hereunder regardless of changes in ownership of said land or shut-in royalty payments) a sum determined by multiplying one dollar (\$1.00) per acre for each acre then covered by this lease, provided however, in the event said well is located on a unit comprised of all or a point of said Land and other land or leases a sum determined by multiplying one dollar (\$1.00) per acre for each acre then covered by this lease, provided however, in the event said well is located on a unit comprised of all or a point of said Land and other land or leases a sum determined by multiplying one dollar (\$1.00) per acre for each acre then covered by this lease, provided however, in the event said well is located on a unit on which said shut-in well is located. If such bank (or any successor bank) should fail, liquidate, or be succeeded by another bank or for any reason fail or refuse to accept such payment, Lessee shall re-tender such payment within thirty (30) days following receipt from Lessor of a proper recordable instrument naming another bank as agent to receive such payment or tenders. Such shut-in royalty payment shall be due on or before the expiration of ainety (90) days after (a) the expiration of the primary term, or (b) the date of completion of such well, or (c) the date on which oil or gas ceases to be old or used, or (d) the date this lease is included in a unit on which a well has been previously completed and shut-in completion of such well, or (c) the date on which oil or gas ceases to be old or used, or (d) the date this lease is included in a unit on which a well has been previously completed and shut-in payment in the last this lease. It is understood and agreed that no shut-in royalty payments shall be due during the primary term. In like manner and upon like payments or tenders

provided, pay or tender such royalty or shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as Lessee may elect.

3. (a) Lessee shall have the right and power in its discretion to pool or combine, as to any one or more strata or formations, said Land or any portion of said Land with other land covered by this lease or with other land, lease or leases in the vicinity thereof. The above right and power to pool and unitize may be exercised with respect to oil, gas or other minerals, or any one or more of said substances, and may be exercised at any time and from time to time during or after the primary term, and before or after a well has been drilled, or while a well is being drilled. Pooling in one or more instances shall not exhaust the rights of Lessee to pool said Land or portions thereof into other units. Units formed by pooling as to any stratum or strata, and oil units need not conform as to area with gas units. Units formed by pooling as to any stratum or strata need not conform as to area with gas units. Units formed by pooling as to any stratum or strata need not conform as to area with gas units. Units formed by pooling as to any stratum or strata need not conform as to area with gas units. Units formed by pooling as to any stratum or strata need not conform as to area with gas units. Units pooled for oil hereunder shall not substantially exceed 80 acres each, plus a tolerance of 10% thereof, provided that should governmental authority having jurisdiction preservibe or permit the creation of units larger than those specified, units thereafter created may conform substantially in size with those prescribed or permitted by governmental regulations. The pooling for gas hereunder by Lessee shall also pool and unitize all associated liquid hydrocarbons and any other respective constituents as may be produced with the unitized gas, and the royalty interest payable to Lessor thall also pool and associated

such unit and used in the operations thereof or thereon shall be excluded in calculating said royalty. Lessee may vacate any unit formed by it hereunder by instrument in writing filed for record in said county at any time when there is no unitized substance being produced from such unit. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusions of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 5 with consequent allocation of production as herein provided. As used in this paragraph 5, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of said Land.

(b) Lessee at any time and from time to time during the life of this lease shall have the right and power as to all or any part or formation or strain of the land herein leased, without Lessor's joinder, to unitize the same with other lands, formations, strain or leases covering lands in the same general area as the leased premises by combining the leasehold estate and Lessor's royalty estate created by this lease with any other lease or leases, royalty or mineral estate in and under any other tract or tracts of land, regardless of the ownership thereof, so as to create by the combination of such interests were all included within the tearns hereof and constituted a single oil, gas and mineral lease. All such production from such unitized area shall be divided or allocated among the various tracts comprising such unitized area based on a formalla derived from parameters utilized by Lessee and incorporated in a unitization agreement approved by the Railroad Commission of Texas. The unitized area shall include other provisions designed to allow for operations of the unitized area in an orderly manner and Lessor hereby agrees that all

6. Lessee may at any time or times execute and deliver to Lessor or to the depository above named or place of record, a release or releases covering any portion of said Land and/or portion of subsurface strata or stratum and thereby surrender this lease as to such portion and/or portion of subsurface strata or stratum and be relieved of all obligations as to the acreage, strata an surrendered. Lessee shall retain rights of ingress and egress across and through any released portion and/or strain of the lease in order to have necessary access to that portion and/or the leased premises which remains in force and on which Lessee continues to conduct operations.

or stratum surrendered. Lessee shall retain rights of ingress and egress across and through any released portion and/or strate of the lease in order to have necessary access to that portion and/or strate of the leased premises which remains in force and on which Lassee continues to conduct operations.

7. If, at any time or times after the expiration of the primary term, operations or production of oil, gas or other minerals on said Land or on acreage pooled therewith should cease from any cause and this lease is not then being otherwise maintained, this lease shall not terminate if Lessee commences or resumes operations within ninety (90) days thereafter and continues such operations or commences any other operations within no ceasation of operations of more than sinety (90) consecutive days, and if such operations or other operations result in the production of oil, gas or other mineral is produced from said Land or acreage pooled therewith. It is understood and agreed that if, during the primary term hereof, all operations or production ceases on said Land or land on leases pooled therewith, this lease shall nevertheless remain in full force and effect during the paid-up primary term hereof. If, at the expiration of the primary term, oil, gas or other minerals is not being produced on said Land or on acreage pooled therewith and here are no operations on said Land or on acreage pooled therewith but operations on expectations of the primary term, this lease shall not terminate if Lessee commences or resumes operations within ninety (90) days of said ceasation of production or operations. If after the expiration of the primary term, this lease shall not terminate if Lessee commences or resumes operations within ninety (90) days of said ceasation of production or operations. If after the expiration of the primary term of this lease, say well on and other than said Land and which other land and all or a portion of said Land has been included in a gas unit that was formed prior to the expiration of the primary te

- dity of Lessee, with respect to the above options, unless such offset well or wells drilled by Lessee would be sufficiently productive to pay Lessee a profit over and above drilling, completing and operation expenses.

 8. Lessee shall have the right, at any time during or after the expiration of this lease, to remove all property and fixtures placed by Lessee on said Land, including the right to draw and remove all casing. Upon Lessor's request and when reasonably accessary for utilization of the surface for some intended use by the Lessor, Lessee will bury all pipelines below ordinary plow depth. No well shall be drilled within two hundred (200) feet of any residence or burn now on said Land with tessor's consent.

 9. The rights of either party bereunder may be assigned in whole or in part, and the provisions bereof shall extend to their heirs, successors and assigns; but no change or division in such ownership of said Land or royalities, however accomplished, shall operate to callarge the obligation or diminish that right of Lessee, and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished, by registered U. S. mail at Lessee's principal place of business, with a certified copy of recorded instruments or instruments evidencing same or evidence satisfactory to Lessee. If any such change in ownership occurs by reason of the death of the owner, Lessee may nevertheless, pay or tender royalities, or part thereof, to the credit of the decedent in a depository bank provided for above. In the event lessing and the providence of the centre of the centre of the decedent in a depository bank provided for above. In the event lesses and until furnished with a recordable instrument, executed by all such parties, designating an agent to receive payment for all.

 10. The breach by Lessee of any obligation arising horeunder shall not work a forfeiture or termination of this lesse, nor cause a termination or reversion of the estate created hereby, nor be

ed while and so long as Lessee is preven ot be counted against Lessee, anything in ng in this lease to the contrary notwithstandir

(b) The specification of causes of force majeure herein enumerated shall not exclude other causes from consideration in determining whether Lessoe has used reasonable diligence equired in fulfilling any obligations or conditions of this lesse, express or implied, and any delay of not more than six (6) months after termination of force majeure shall be deemed hailinui

All terms and conditions of this lease, whether express or implied, shall be subject to all Federal and State Laws, Executive Orders, Rules, or Regulations; and this lease shall ad, in whole or in part, nor Lessee held liable in damages for fallure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, (c) All term Rule or Regulation. 13. This lead

3. This lease states the entire contract between the parties, and no representation or promise, verbal or written, on behalf of either party shell be binding unless contained so shall be binding upon each party executing the same and their successors, heirs, and assigns, regardless of whether or not executed by all persons above named as "Lessor". ed berein: and

IN WITNESS WHEREOF, d LESSOR LESSOR LESSOR LESSOR Texas STATE OF Tarrant COUNTY OF day of November, 2009 by Gregory Paul Carnley, a married person dealing in his sole and separate property Notary Sign lupo Printed Name Texas Notary Public, State of TODD D. WRIGHT Notary Public, State of Texas Commission Exp 10-19-2011 My Commission Expires: October 19, 2011

EXHIBIT "A"

ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL, GAS AND MINERAL LEASE DATED NOVEMBER 17th, 2009, BY AND BETWEEN GREGORY PAUL CARNLEY, A MARRIED PERSON DEALING IN HIS SOLE AND SEPARATE PROPERTY, AS LESSOR AND DEVON ENERGY PRODUCTION COMPANY, L.P., AS LESSEE.

LEGAL DESCRIPTION OF PROPERTY:

Being 1.195 acres of land, more or less, out of the J.P. Smith Survey, Abstract 1885, Tarrant County, Texas and being the same land as described in that certain General Warranty Deed with Vendor's Lien dated January 17, 1998, by and between Lassiter Lane as Grantor and Gregory Paul Carnley, as Grantee, recorded in Volume 13286, at Page 54, Deed Records, Tarrant County, Texas.

ADDITIONAL PROVISIONS:

- 1. Notwithstanding anything contained in this lease to the contrary, wherever the fraction "one-eighth (1/8th)" appears in the printed portion of this lease the same is hereby amended to read "Twenty-Two Percent (22%)".
- 2. Notwithstanding anything to the contrary contained in the printed form to which this Exhibit is attached, it is understood and agreed between Lessor and Lessee, that there will be no operations for oil or gas development and/or production upon the surface of the above described land without the express written consent of Lessor; provided, only that Lessee shall have the right to drill under, or through, produce from and inject substances into the subsurface of the lands covered by this Lease, from wells which are located on lands pooled therewith, or which are located on other lands.

SIGNED FOR IDENTIFICATION:

Gregory Paul Carnley